

11-891

6 MAR 1959

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Dr. James Killian
Special Assistant to the President
for Science and Technology
The White House
Washington 25, D. C.

Dear Jim:

I thought you might like to
see the attached copy of a letter I
received from Neil McElroy on the NEW PRODUCT
project.

Sincerely,

SIGNED

Allen W. Dulles
Director

Attachment

O/DCI/ [] jnf 6 Mar 59

Dist:

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JCS and OSD review(s) completed.

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THE SECRETARY OF DEFENSE
Washington

March 3, 1959

Dear Allen:

Thank you for your expression of keen interest, on behalf of the U.S. Intelligence Board and Dr. Killian, in the Army's acoustic intelligence project NEW PRODUCT.

Last year funding arrangements were made here to enable the Army to develop and field-test this project and to bring it into operation on the basis of the promise it showed for Soviet guided missiles intelligence. Since that time, the Army's estimate of FY 1960 costs has substantially risen, based on the conclusion that a more comprehensive system is needed to give optimum results.

We share with you the desire to resolve as soon and as favorably as possible the situation respecting NEW PRODUCT. We are therefore pressing inquiries concerning its various potential uses, its potential in relation to other systems, and certain budgetary aspects. When these facts and evaluations are assembled, we shall all have a better basis on which to judge what scale of support is desirable and feasible. I will keep you currently informed of developments; and I much appreciate your offer of assistance by the Board in establishing and improving the effectiveness of the project.

Sincerely yours,

(signed) NEIL MC ELROY

Honorable Allen W. Dulles
Director
Central Intelligence Agency

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